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11 December 1959

MEMORANDUM FOR: Chief, Budget Division, Office of the Comptroller

ATTENTION:

SUBJECT: Contract Overrun - Nadir Determining Device

REFERENCE: (a) [redacted] letter dated 18 November 59, subject: Contract No. [redacted] 25X1A  
(b) Our memo to [redacted] dated 4 December 59, subject: Contract Overrun - Nadir Determining Device 25X1A  
(c) Memo to PIC from [redacted] dated 8 December 59, same subject 25X1A

25X1A 1. In FY 1959, PIC contracted with the [redacted] 25X1A  
[redacted] for the development and fabrication of three Nadir Determining Devices. Two of these Devices were to be delivered to the Air Force under a joint procurement program and one for CIA/PIC. We have been advised by the company that funds for the contract are exhausted and that [redacted] will be required to complete the project [see reference (b)]

25X1A 2. The special PIC account (9-1008-10-200), which was established for the joint procurement program, does not have a sufficient unobligated balance to pay the PIC portion of the overrun. Efforts to locate sufficient funds from other sources have not been successful [see references (b) and (c)]

25X1A 3. Due to the nature of this research and development program, it was not possible to foresee these additional costs at the time the contract was negotiated. In order to continue this important project, it is requested that [redacted] be transferred to allotment account 9-1008-10-200 for the purpose of paying this overrun.

25X1A [redacted]  
Chief, Administrative Staff, PIC

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